- 8.02 This Agreement shall immediately terminate if ATI or NPS becomes insolvent or bankrupt, or becomes subject to the provisions of the Winding-Up Act (Canada) or the Bankruptcy and Insolvency Act (Canada) or any other similar act of Canada or the United States of America or makes a proposal under any such act, or goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, or makes a general assignment for the benefit of its creditors generally or otherwise acknowledges its insolvency, or if a liquidator, a receiver or a trustee is appointed in bankruptcy or otherwise or an encumbrancer takes possession of the property of ATI or NPS. Further, this Agreement may be terminated (i) in accordance with Section 2.10(i); (ii) by ATI if NPS fails or otherwise defaults on making payments to ATI as and when such payments become due and payable and such default and/or failure continues for a period of thirty (30) days after notice and NPS before the expiration of said thirty (30) day period is unable to cure or otherwise fails to provide ATI with adequate assurances of performance; (iii) by either party if a representation made by the other party hereunder is false in some material respect; or (iv) by either party if the other party fails or refuses to take any action required to be taken thereby pursuant to the provisions contained herein and such default or failure continues for a period of thirty (30) days after notice.
- 8.03 Upon the termination or sooner cancellation of this Agreement for whatever reason, in addition to the provisions set forth in Section 7.01(iv) and Section 7.02(iv) herein, all Orders not therefore shipped by ATI to NPS shall be deemed to be and shall be void and of no further force and effect, all monies owed by NPS to ATI or by ATI to NPS shall immediately become due and payable.
- 8.04 Without limiting the foregoing, nothing herein shall prohibit NPS from selling, transferring or otherwise conveying all Products in its possession or committed after the termination or sooner cancellation of this Agreement in the ordinary course of business.

9. CONFIDENTIALITY AND NONDISCLOSURE

- 9.01 The parties hereto acknowledge that they may share certain proprietary, trade secret or confidential information (the "Confidential Information") in the course of their performance under this Agreement. Confidential Information does not include, however, information which (a) is or becomes generally available to the public other than as a result of a disclosure by the receiving party, or (b) became available to the receiving party on a non-confidential basis from a person or entity, other than the disclosing party, who is not bound by a confidentiality agreement with the disclosing party or is not otherwise prohibited from transmitting the information to the receiving party.
- 9.02 Neither ATI nor NPS will disclose or allow to be disclosed to third parties or use for its own independent benefit outside of this Agreement the Confidential Information, or any portions thereof, of the other party, and both ATI and NPS agree to take all reasonable steps to prevent such disclosure.

10, TAXES

ATI and NPS shall pay when due all federal, state, city and local income taxes, unemployment taxes, and social security taxes applicable to their respective business operations and/or the transaction(s) contemplated hereunder, and the other party shall have no liability therefor.

11. INDEPENDENT CONTRACTOR

ATI and NPS expressly acknowledge and agree that the other party is an independent contractor, and that except as otherwise stated herein neither party shall have any right to control or direct the manner in which the other party performs its obligations and duties hereunder. Neither party shall have the right or authority to create any obligation, liability or contract of any kind on behalf of the other party. This Agreement shall not be construed to create an employment relationship or partnership, limited partnership, joint venture, association, agency or other similar business enterprise, organization or relationship between either ATI and NPS or NPS and ATI's employees.

12. TERRITORIAL EXPANSION

The Territory, as defined hereunder, may be expanded, at NPS' option, to include the entirety of Canada if NPS succeeds to the interests of PBL International, ATI's Canadian Distributor, and/or may be expanded, at NPS'

option, to include the entirety of Europe if NPS succeeds to the interests of Diablo Direct Europe Limited, ATI's European Distributor. In the event NPS succeeds to one or both of the aforementioned distributorships, and at NPS' option, the entirety of this Agreement shall apply except that (i) the term "Territory" as used herein shall be expanded accordingly, (ii) the V-Force Minimums herein set forth shall be adjusted and increased, on a one time basis, by adding Seventy-Five Percent (75%) of the total amount of V-Force branded goggle and masks purchased by the respective distributor over the calendar year prior to NPS' acquisition of the same; and (iii) there shall be no distinction in Europe between Conventional and/or Non-Conventional Markets whereby NPS shall be wholly exclusive throughout the entirety of Europe in regard to all Core ATI Products.

13. OTHER PROVISIONS

- 13.01 If ATI or NPS is prevented from meeting its commitments under the terms hereof by reason of acts of God, war(s), terrorism, government regulations, strikes, riots, civil commotion or sabotage, lack of supplies or any other similar cause beyond its reasonable control, the party in default shall be under no liability to the other to the extent of the default caused thereby so long as such impediment shall continue, and any defaults directly resulting there from shall not be deemed breaches of the warranties contained therein.
- This Agreement, including the Recitals, Definitions and the attached referenced Exhibit, represents and contains the entire agreement of the parties relating to the subject matter hereof and sets forth all the promises, covenants, agreements, conditions and understandings between the parties hereto with respect to the supply of Products by ATI to NPS and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions pertaining thereto, express or implied, oral or written, and cannot be modified, altered, supplemented, terminated or amended except by a writing signed by an authorized representative of both parties. Any and all capitalized words or phrases appearing in and throughout this Agreement, if applicable, shall be construed in accordance with those definitions appearing herein. All Orders shall be subject to, and shall be deemed to incorporate, the provisions of this Agreement. Any term in any Order inconsistent with this Agreement shall be of no force or effect unless the parties expressly acknowledge and agree to such inconsistency in writing.
- 13.03 Neither this Agreement nor the benefit of it may be assigned by either party hereto without the prior consent in writing of the other party.
- 13.04 This Agreement and the respective rights and obligations under it shall be binding on ATI and NPS and their respective successors and permitted assigns.
- 13.05 This Agreement shall be construed and the legal obligations between the parties hereunder shall be determined according to the substantive laws of the State of New Jersey, USA.
- 13.06 All notices, requests, orders, demands, or other communications by the terms hereto required or permitted to be given by one party to the other shall be given in writing, and shall be sent by registered or certified mail, postage prepaid addressed to such other party or delivered to such other party as follows:

If to ATI:

AIRTECH INDUSTIES, INC.

6000 Kieran St. Laurent, PQ H4S 2B5

Attention: Richard Italia

If to NPS:

NATIONAL PAINTBALL SUPPLY, INC.

570 Mantia Boulevard Sewell, New Jersey 08080 Attention: Eugenio Postorivo

or at such other address as the parties may from time to time designate pursuant to the provisions of this Section 13.06.

13.07 Each of the parties hereto hereby covenants and agrees that it shall hereafter execute and deliver any and all further instruments, documents and agreements and do such other and further acts and things as may be required or

useful to carry out the interests and purposes of this Agreement and to assure to each of the parties hereto the benefits contemplated by this Agreement.

- 13.08 This Agreement may be executed by means of facsimile signatures and in one or more counterpart, each of which, when so executed, will be deemed an original, and such counterparts together shall constitute one and the same instrument.
- 13.09 Any disputes arising out of or pertaining to this Agreement which the parties are unable to resolve by bona fide negotiations at an executive level, shall be resolved by binding arbitration on the basis that the arbitration shall be submitted for arbitration to the American Arbitration Association on demand of either party to such dispute. Such arbitration shall be conducted in Philadelphia, Pennsylvania. Except as otherwise provided in this Agreement, such dispute shall be heard by a panel of three arbitrators in accordance with the then current rules of the American Arbitration Association. The arbitrators shall have the right to award and include in their award any relief that they deem proper in the circumstances, including without limitation, money damages (with interest on unpaid amounts from the due date), specific performance, injunctive relief and attorney's fees and costs. The award and decision of the arbitrators shall be conclusive and binding upon the parties and judgement upon the award may be entered into any court of competent jurisdiction. This agreement to arbitrate shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. The arbitrators, as part of their decision, shall be entitled to determine which of the parties shall be liable for their costs or the ratio in terms of which the parties are to share their costs, failing which, their costs shall be borne equally between the parties.
- 13.10 All dollar amounts referred to in this Agreement or any Exhibit hereto refer to U.S. dollars.
- 13.11 No waiver by any party of any condition, or of the breach of any term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed or construed as a further or continuing waiver of any other condition or of the breach of any other term, covenant, representation or warranty set forth in this Agreement.
- 13.12 The captions and headings of the various sections and subsections of this Agreement are for convenience only and shall neither constitute a part of this Agreement nor control nor affect the meaning or construction of this Agreement.
- 13.13 If any provisions of this Agreement shall be or shall become illegal or unenforceable in whole or in part, for any reason whatsoever, the remaining provisions shall nevertheless be deemed valid, binding and subsisting.
- 13.14 Each party acknowledges that it has participated in the negotiation and drafting of this Agreement, and further agrees that this Agreement shall be construed without regard to the identity of those who drafted the various provisions, that each and every provision of this Agreement shall be construed as though all of the parties participated equally in the drafting of them, and that any rule of construction that a document is to be construed against, interpreted less favourably toward, or applied to the disadvantage of any party hereto by reason of such person having or being deemed to have structured, dictated, or drafted such provision shall not apply to this Agreement.

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have hereunto signed this Builment Agreement as of the day and year first above written.



(Signatures on next page)

WITNESS

AIRTECH INDUSTRIES, INC.

By:

Richard Italia, CFO

WITNESS

NATIONAL PAINTBALL SUPPLY, INC

By:

Document 18-19

Eugenio Postorivo) President

Filed 08/30/2007

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Case 1:07-cv-06208-LAP

	•		V F	AIRTECH INDUSTRIES V Force Vision Systems - Masks Product Description and pricing	H INDU	STRI ms - N and pi	ES Masks ricing						
-													Minimum
Pro	Product Code and Name				-0	roduc	Product description	tion				, ;	Order
Code	Product name	Armor	Color	Lens	Anli-Fog Visor	Visor Visor	Strap	Foom	Extras_	Вод	Packaging	per sku	Per Case
MASKS													#/case
Pro Shop	MORPH .												
WG5001-MBBK	MORPH MIRROR BLUE Mask	Flex	Blue	Mir. Blue	yes	yes	Silicone	soft	extra lens	yes	box/blister	54.75 S	6
WG5001-MVZMK	_	Flex	GUN M.	Mir. Silver	yes	yes	Sificone	soft	extra lens	yes	box/blister	47.75 \$	6
WG5001-MLGMK		Hex	Green M.	Mir. Gold	yes	yes	Sificone	soft	extra tens	yes	box/blister	47.75 \$	o,
WG5101-CPK	MORPH BURG, GLOSS Mask		Burgundy G	Clear	yes	yes	Silicone	soff	20	yes	box/blister	39.50 \$	o
WG5101-CZMK	MORPH GUN METAL Mask	Пeх	GUN M.	Cleor	yes	yes	Silicone	soff	ᆼ	yes	box/blister	37.50 \$	6
	SHIELD								i	150		0, 50	ľ
WG5501-C3IK	SHIELD 3D TECHNO Mosk	Rigid	3D Techno	Clear	yes	yes	Silicone	soft	5	yes	box/blister	36.75 \$	6
WG5501-CZMK	SHIELD GUN METAL MOSK	Rigid	Gun M.	Clear	yes	yes	Sificone	soff	70	yes	box/blister	23.00 \$	o n
	ARMOR			Cicci	103	15	3,00	SOI	100	yes	DOX/Olivier	23.00 \$	0
WG5702-CK	ARMOR BLACK Mask	Rigid	Black	Clear	yes	yes	Woven	sof	8	8	DON.	10.15 \$	30
Rental	SHIELD												
WG5801-CYK	SHIELD REFEREE Mask	Rigid	Yellow	Clear	yes	yes	Woven	soft	20	3	Ď∪ K	18.00 \$	18
WG5801-CKK	SHIELD RENTAL BLACK Mask	Rigid	Black	Clear	yes	yes	Woven	neoprene	JO O	ᆼ	bulk	18.00 \$	18
WG5801-CGMK	SHIELD RENTAL GREEN Mask	Rigid	Green	Clear	yes	yes	Woven	neoprene	ಾ	70	bulk	18.00 \$	8
WG5801-CRK	SHIELD RENIAL BLUE Mask	R Rigid	Red Blue	Clear Clear	yes	yes	Woven	neoprene	3 3	8 8	<u> </u>	18.50 \$: 2
	ARMOR											10.000	Į;
WG5011-CK	ARMOR RENTAL Black Mask	Rigid	Black	Clear	yes	yes	Woven	neoprene	70	5	buk	10.15.511	30
WG5011-CG	ARMOR RENTAL Green Mosk	Rigid	Green	Clear	yes	Уes	Woven	neoprene	70	no	bulk	10.15 \$	30

			AIRTECH INDUSTRIES V Force Vision Systems - Accessories Product Description and pricing	TECH J	NDUS Stems	AIRTECH INDUSTRIES Force Vision Systems - Accessori	rics				
Pr	Product Code and Name										Dii)
Code	Product name	Amnor	Calor	Lens	Visor	Strap	foom	Exiros	gog	Pockoging	per sku
REPLACE	REPLACEMENT LENSES										
Pro Shop											
WL5009-00	MORPH / SHIELD Clear Lans	₹	NA	Clear	NA A	NA	NA.	Manual	Š	clam	7.20 S
WL5009-21	MORPH / SHIELD Amber Lens	×	NA	Amber	¥	NA	NA	Manual	N	clam	
WL5009-01	MORPH / SHIELD Smoke Lens	3	\$	Smoke	3	Z	Ş	Manual	Š	clam	7.95 \$
WL5009-23	MORPH/SHIELD Gold Millor Lens	2 3	Z 2	Care Care	2 2	2 2	2 2	Manual	2 2		17.50
WL5009-40	MORPH/SHIELD Blue Mirror Lens	Z >	NA :	Blue	₹ :	₹ :	N :	Manual	\$	clam	
Rental											
WL5109-00	SHIELD RENTAL Clear Lens	3 Z	Z Z	Clear	N.	AN	NA A	8	Š	bulk	
WL5109-21	SHIELD RENTAL Amber Lens	Z 3	Z 3	Amber	2 3	Z š	Z	8 8	Z Z	bulk K	5 90 5
WL5309-00	ARMOR RENTAL Clear Lens	×	NA	Clear	Š	N A	X	Š	Š	bulk .	
ACCESSORIES	JES	Ì					į				
Pro Shop											
WA1002-37	SILICONE REP. STRAP (red)	Š	Burgundy	ξ	Š	Silicone	Ä	Ā	š	роурад	
WA1002-50	SILICONE REP. STRAP (green)	Z ;	Green	Z 3	2 2	Silicone	N N	2 2	2 2	polybag	3 75
WA1002-40	SILICONE REP. STRAP (blue)	Ą	Blue	Z.	Z :	Silicone	Ž.	N S	Z 3	polybag	
WASOOT	VISOR	Ä	Black	Z A	YES	Ä	NA	NA	Ņ	polybag	
Rental	CHAIN OR TOCOLON (405)	Š	NA	NA	š	NA	NA	NA	Š	blister	
WA1001	RENTAL REP. STRAP (60 units)	š	Back	Z	2	Michael	2	2	2		2000
WA3002	VISOR (12 units)	8	Black	8 5	YES	NA COL	83	N N	N	bulk K	24.00 S
REPLACEM	REPLACEMENT PARTS										
MARION	O first for their form									Packaging	sku
WA3009	Chin Strap Kit-Shield/Armor (25)									bulk.	3.25 S
WA3010	Hard washers for Sheld(100)										12005
WA3007	Armor Far Projector Binht/25) **									bulk	47.50 S
BDDCAW	Armor Ear Protector Left(25) **										22.50 S
WA3005	Armor Neo, Foam Top(50) **									7 5	36,000
WA3006	Armor Neo. Foam Bottom(50) **										25.00 \$
WA3013	Shield Neo. Foam Bottom (50)									D SK	25.00 S
WA3016	Long rivets(100)										22.00 \$
										bulk	8.00 S

WG8409-cgm	WG8410-cgm	WG8410-ckm	WG8209-cgm	WG8209-ckm	WG8009-cgm	Warrior WG8009-ckm	WG/209-ckm	WG7209-ckm	WG7109-ckm	WG7109-cgm	WG7009-ckm	Titan WG7009-cgm	WG6109-ck	WG6109-ck	Gladiator WG6009-cgk	MASKS	Code		·	
WARRIOR GrM	WARRIOR GrM	WARRIOR BKM	WARRIOR GrM	WARRIOR BKM	WARRIOR GIM	WARRIOR BKM	IIIAN Black Metal	TITAN Green Metal	TITAN Black Metal	TITAN Green Metal	TITAN Black Metal	TITAN Green Metal	GIADIATOR Green	GLADIATOR Black	GLADIATOR Pro Green		Product name			:
Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Rigid	Flex		Armor			
Black Metal Gun Metal	Gun Metal	Black Metal	Gun Metal	Black Metal	Green Metal	Black Metal	Black Metal	Green Metal	Black Metal	Green Metal	Black Metal	Green Metal	Green Metal	Black	GreenM/Bk		r <u>Color</u>			Air Tech Industries CONQUEST Brand- MASKS Product description and pricing US \$
Clear Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear	Clear		<u>Lens</u>	ס		Air Tech Industries DNQUEST Brand-MASH luct description and pri
yes Yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes		Anti-fog	Product description		(S cing
8 8	yes	yes	DO.	no	yes	yes	ņo	50	ᆼ	<u>8</u>	yes	yes	yes	yes	yes		Visor	ption		
regular regular	regular	regular	regular	regular	regular	regular	regular	regular	regular	regular	silicone	silicone	silicone	silicone	silicone		r Strap			
soft soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft	soft		Foam			
5 G	5	JO.	70	70	ō	no o	70	70	no	о О	yes	yes	yes	yes	yes		n Bag			
bulk	bulk	bulk	clam	clam	clam	clam	bulk	bulk	clam	clam	clam	clam	clam	clam	clam		Pack			
9.35 9.35	10.15	10.15	11.70	11.70	12,50	12.50	18.00	18.00	19.70	19.70	22.50	22.50	20.90	20.90	24.90		sku	per	Price	

	Air Tech Industries CONQUEST Brand - ACCESSORIES Product description and pricing US \$	dustries ACCESSORIE n and pricing	Ö	·
				Price
<u>Code</u>	Product name	Color	Pack	Kr I
REPLACEM	REPLACEMENT LENSES			
WL6009	GLADIATOR	Clear	clam	8.20 \$
7000)	Tinted	clam	8.95 \$
861,000	IIIAN-Clear	Clear	clam	7.20 \$
WL8009	WARRIOR	Clear	header	4.65 \$
ACCESSORIES	ES			
WA1003	SILICONE STRAP	Black/White	header	3.75 \$
	VISOB ANTI-FOG SOLUTION	!	blister	2.65 \$
	VIOCA TO CAR	Black	header	2.85 \$

Exhibit A (page 5)

	AIRTECH INDUSTRIES
	OEM and Private Label - Masks Product Description and pricing
Product name	Product description
ARMOR Design	<u>Frame Color Lens Coaling Visor Strap Foam Manual Packaging persku</u>
NPS private label	-
Additional costs	
Sef-up costs NPS Logo on head protector: NPS Logo on strap (1 color): NPS Logo on visor:	3000\$/insert 2500\$ with minimum initial order of 10000 straps 3000\$/insert
Termination/end of line costs:	Upon termination of supply agreement, NPS agrees to purchase all outstanding inventory of finished products, raw materials and components used in the manufacturing of NPS Branded Masks
Minimum quantities	
	25,000 units 960 units per order

Exhibit B

		Conque				ded Proc	luct				
			Quai	ntities a	and pric	cing					
7	Cod		Vinar	Color !	A === ==	In-i	Our-Miles I	C			
Product	Cod	<u> </u>	Visor	Color	Armor	Pack	Quantities	Sugg	ested		cial
				 		 	Avelleble	Dist	D-1		ional
	<u> </u>						Available	DIST.	Price	١٠,	ice
MASKS											
Warrior/Z Leader logo		cgm ·	yes		Rigid	Clam	12	\$		\$	9.75
	wg8009-	czm	yes		Rigid	Clam	340	\$	12.50	\$	9.75
	wg8009-	ckm	yes	black		Clam	72	\$	12.50	\$	9.75
	wg8410	ckm	yes		rigid	bulk	2476	\$	10.15	S	9.25
	wg8209-	ckm	no	Black	Rigid	Clam	231	\$	12.00	\$	9.25
	wg8409	cgm	no	green	rigid	bulk	1199	\$	9.50	\$	8.25
	wg8409	ckm	no	black	rigid	bulk	16308	\$	9.50	\$	8.25
	wg8409	cbm	no	blue	rigid	bulk	56	5	9.50	\$	8.25
	1										
Titan/Zlogo	wg7009	cgm	yes	Green	Rigid	Clam	557	\$	21,50	\$	17,00
	wg7009	ckm	yes	Black		Clam	294		21.50	\$	17.00
SHIELD with	wg7209	ck	yes		rigid	bulk	584		17.50	\$	16.00
Z Logo on lens	wg7209	cgm	yes		rigid	bulk	1280		17.50	\$	16.00
and on Strap)	wg7209	cbm	yes	blue	rigid	bulk	1562		17.50	\$	16.00
and on onep	wg7109	cím	no	Burg	Rigid	Clam	1002		20.75		
	wg7109			Green						\$	16.00
	wg7109	cgm cb	no	Blue	Rigid	Clam	614 562		20.75 20.75	\$	16.00
	Wg1103	100	mo	Diue	Rigid	Clam	502	13	20,75	\$	16,00
	0000	. 61			<u> </u>					_	
Gladialor	wg6009	cfk	yes	Burg	Flex	Clam	101		32.60	\$	19.50
(as Extreme Vision)	wg6009	cgk	yes	Green	Flex	Clam	352		27.50	\$	13.50
	wg6009	c3t	yes	3D	Rigid	Clam	410		38.00	\$	19.50
	wg6109	cgm	yes	Green	Rigid	Clam	165		24.60	\$	11.50
	wg6209	ck	yes	black	Rigid	bulk	4219		20.60	\$	13.00
	wg6209	cgm	yes	green	Rigid	bulk	682		20.60	\$	13.00
	wg6209	c3tk	yes	3D	Rigid	bulk	437	\$	34.00	\$	21.50
	wg6209	cím	yes	Red	Flex	bulk	190	\$	28.60	\$	21.50
				1							
	<u> </u>										
LENSES											
Armor with Z Logo	w18310-00	clear		clear	1	bulk	12157	7 \$	3.20	1 \$	3.10
	WI8310-01	sm		smoke		bulk	2292	2 \$	3.20	\$	3.10
Shield wilh Z Logo	w17009-00	Clear		Clear		clam		3 \$	5.60		5.6
	w17210-01	smoke		smoke		bulk	3978		5.60		5.6
	w17009-01	smoke		smoke		clam	204		5.60		5.6
	wl7210-21			amber		bulk		5 5	5.60		5.6
	wl7009-21			amber		clam		3 \$	5.60		5.6
Gladiator	wl6009-01			smoke	1	clam		9 \$	5.60		3.7
	w16009-00			clear	1	clam		8 5	5.60		3.7
	wl6210-01		1	smoke	1	bulk		2 \$	5.60		3.7
	1	T	† 		 		 	\	0.00	1 4	3.1
ACCESSORIES	<u> </u>				1		1				
Straps Silicone	wa1003	· ·			T	nollihe -	T	11 #	0 77	1 7	
Anti-Fog		 	 	+	-	polybag		1 \$		5 \$	3.0
Visor	wa2010 wa3002	 	 		-	clam		0 \$		5 5	
A 1901	IMAJUUZ	1	J	_[1	polybag	1 24	4 \$	2,85	5 \$	2.0